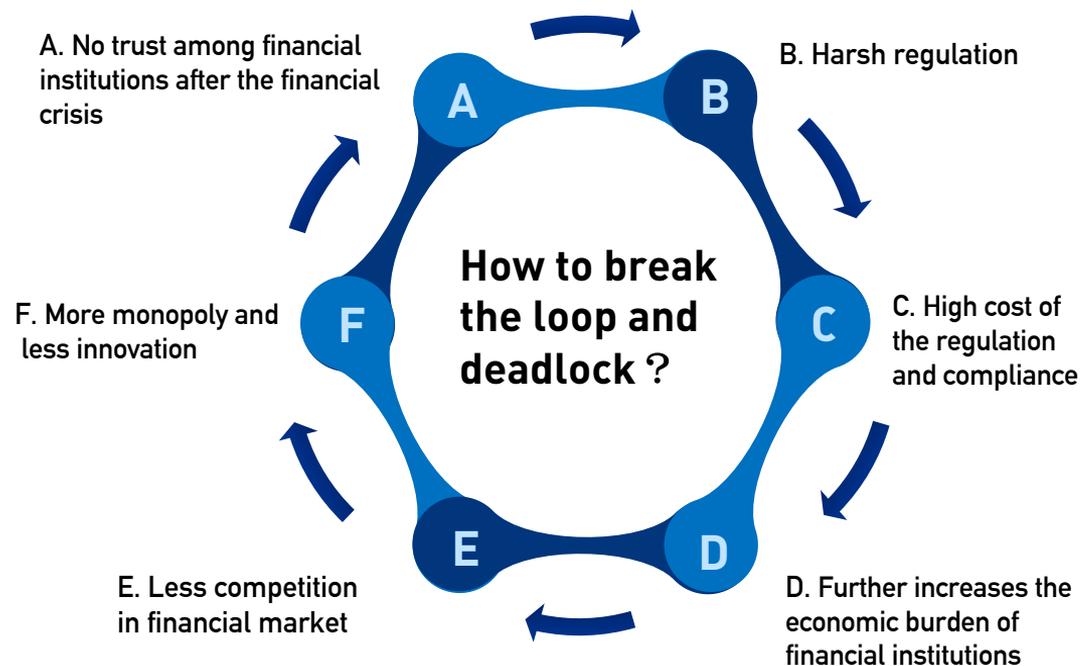




# Celes Chain Business Plan

Regulated/Public Chain/Financial Services

# The cyclical effect in financial industry



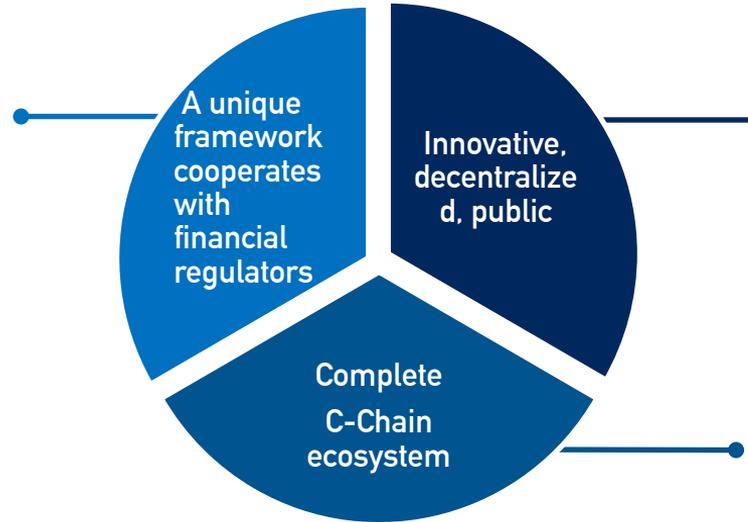
## Solution

- 1 To Improve regulation and compliance
- 2 To rebalance trust among financial institutions
- 3 To reactive competitions in financial market

## C-Chain : A public chain focuses on regulated financial industry

C-chain is an innovative platform to run financial services/applications and provides access for regulators and policy makers.

To make regulators more efficient and to lower compliance costs for financial institutions



To rebalance trust among financial institutions

To provide a more productive competition for financial industry. Consumers could ultimately share benefits and profit.

C-chain refers to “Celes Chain”.

# Team

**Zhou-Ran Li**

Cofounder, BS in PKU, MS in Penn State U, RBKC Capital Partner, Anton Oil Sr. Executive, Lee Shau Kee's Family Foundation Sr. Executive.



**Li-Qi Ding**

Cofounder, LLM, Uni of California at Berkeley, Sr. legal professional in investment fund, capital market convertible bond issuance and M&A etc. founder of coinx.



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Cofounder, BS in Tsinghua, MS in EE HKUST, RBS HQ in London, CDB in Hong Kong.



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Cofounder, BS in Tsinghua, MS in Statistics & Ph.D in CS, University of Chicago. 20+ in financial industry, Goldman Sachs NY, CIC, Head of HKEX.



**Yi-Lan Liu**

Cofounder, early stage team member of Tencent, Core developer, led 300+ developer team



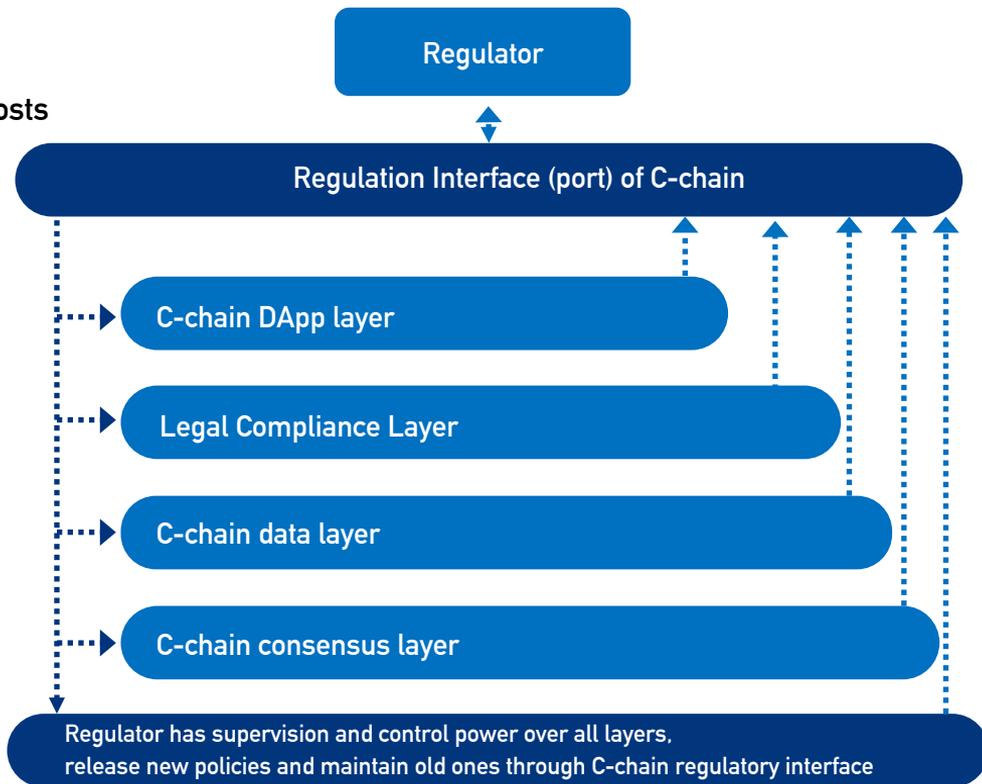
Zhen-hua Guo



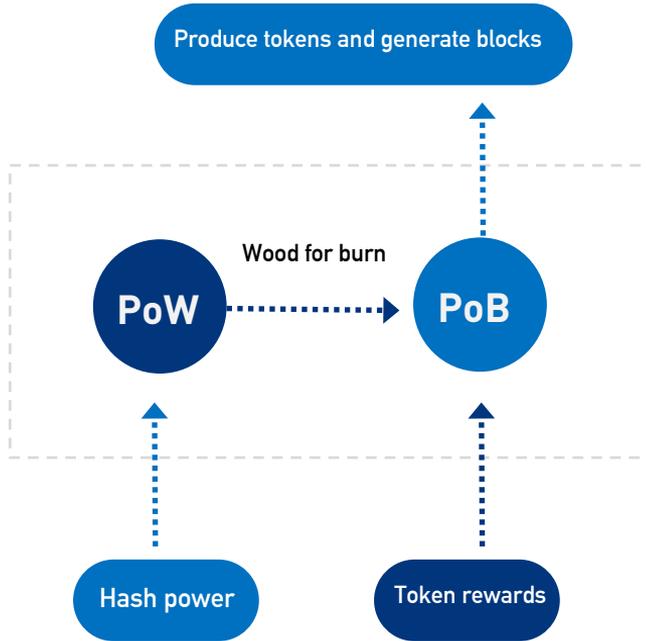
# Unique C-chain regulation and compliance efforts

## C-Chain improve regulatory efficiency and save compliance costs

1. "Super Administrator": the supervision agency has effective control of financial behavior and data on C-chain.
2. Legal semantics scripting language: in order to make smart contract not only in compliance with, but to the greatest extent allow the "literal" code also meet regulatory requirements.
3. Legal compliance layer: to coordinate with artificial intelligence and deep learning technology, compile smart contract into legal compliance document on C-chain.
4. Simulation: Regulators can test new or modify policies on chain, effectively judging regulatory effects and potential negative impacts.



# A innovative public chain consensus module

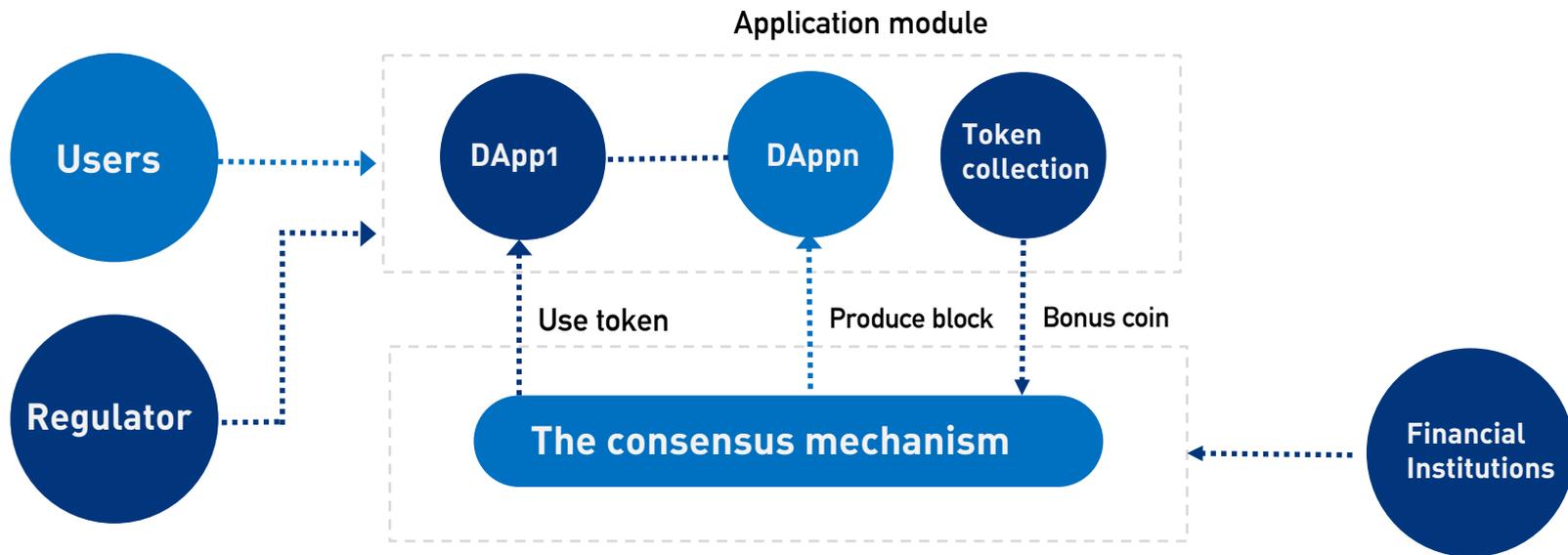


## An innovative public chain

1. Time division multiple proofs protocol (TDMPC): a better balance between decentralization (via PoW) and efficiency (via PoB) .
2. "Wood": the link between PoW and PoB consensus.
3. Public chain: private chain has the difficulty to attract financial institutions to join the alliance\*.
4. Transparent: more trustworthy to the end user.

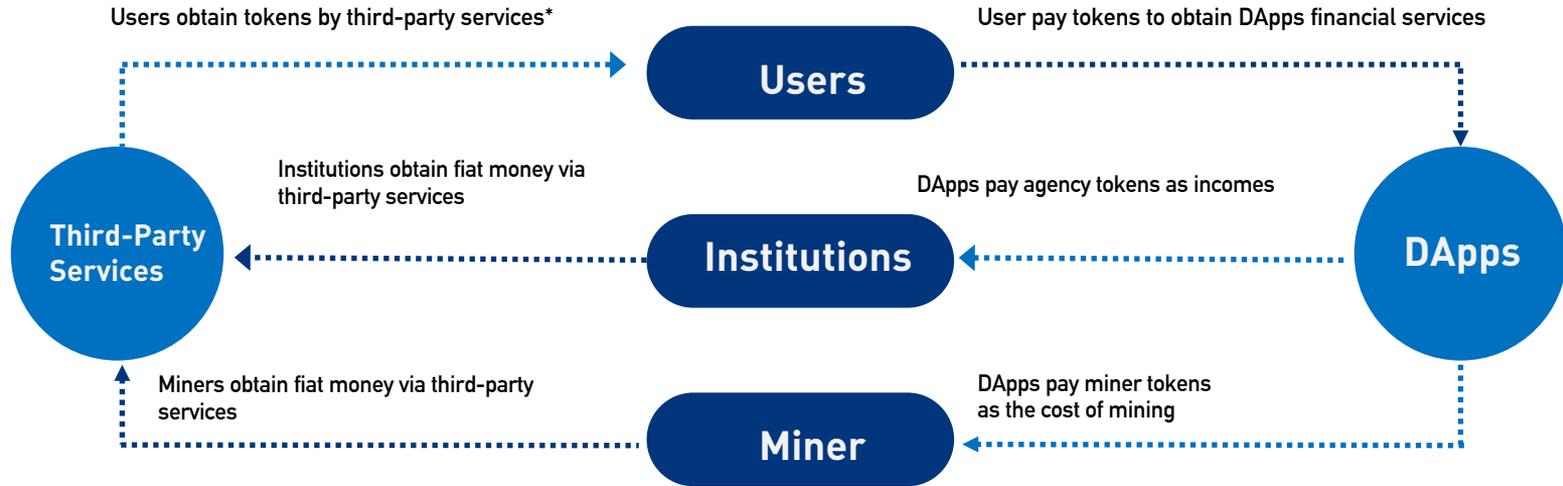
\*Source: Monetary Authority of Singapore (MAS) The conclusion of block chain experiment project Ubin - from No.2 report

## DApps (Financial/regulation focused) on C-chain



1. Financial institutions use scripting language on C-chain to develop decentralized financial applications (DApps) to implement business logic and run smart contract.
2. C-chain provides basic templates for financial institutions to accelerate product development progress.
3. C-chain supports products including but not limited to: financial derivatives, commercial loans, letters of credit, trade finance, structured finance, project financing, investment, brokerage, trading and financial information etc.
4. DApps developed by financial institutions which obtained the approval of regulatory authorities, can be shelved on C-chain application store.

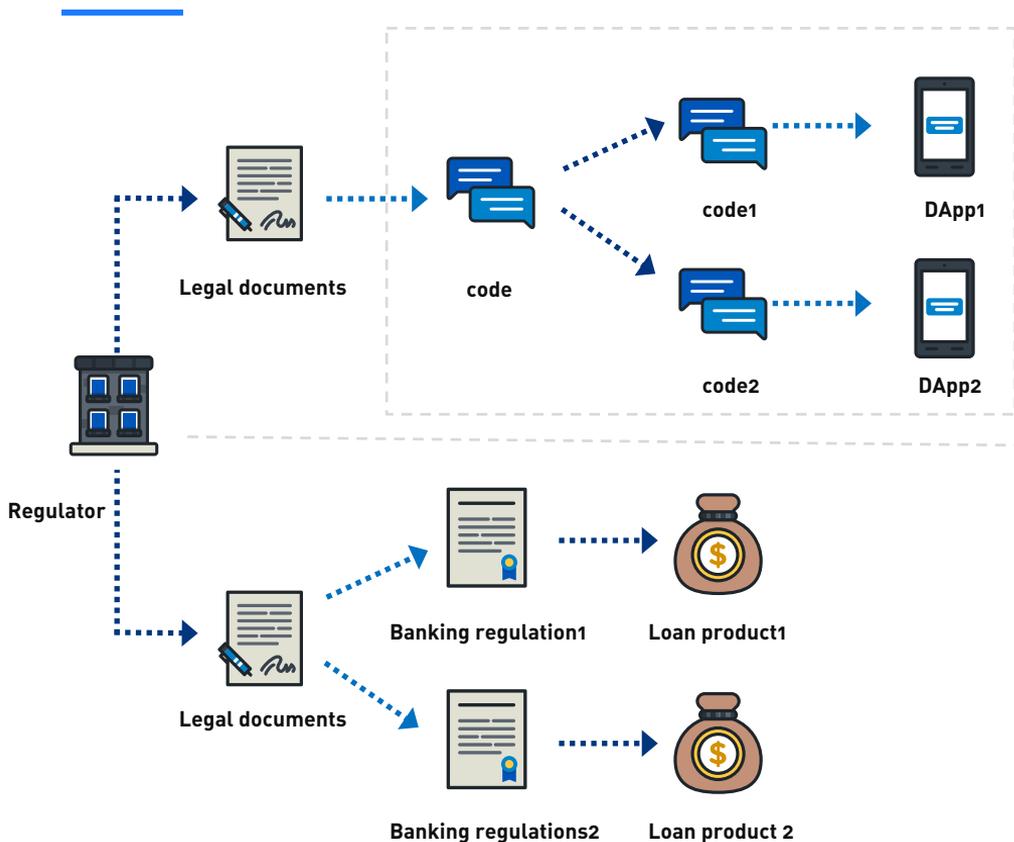
# Ecosystem on C-chain



Third-party service\* refers to the exchange service of convert between C-chain tokens and fiat money, such as token exchanges, etc.

1. End user use tokens to purchase financial services on C-chain (through C-chain DApps)
2. DApps obtain user's tokens and pay a certain number of tokens to the miner, the remainder will be sent as income to the financial institutions who own the DApps.
3. Miners get paid as the cost of mining.

# Case1: Regulator Issue the bank lending guideline (C-chain vs. Traditional methodology)



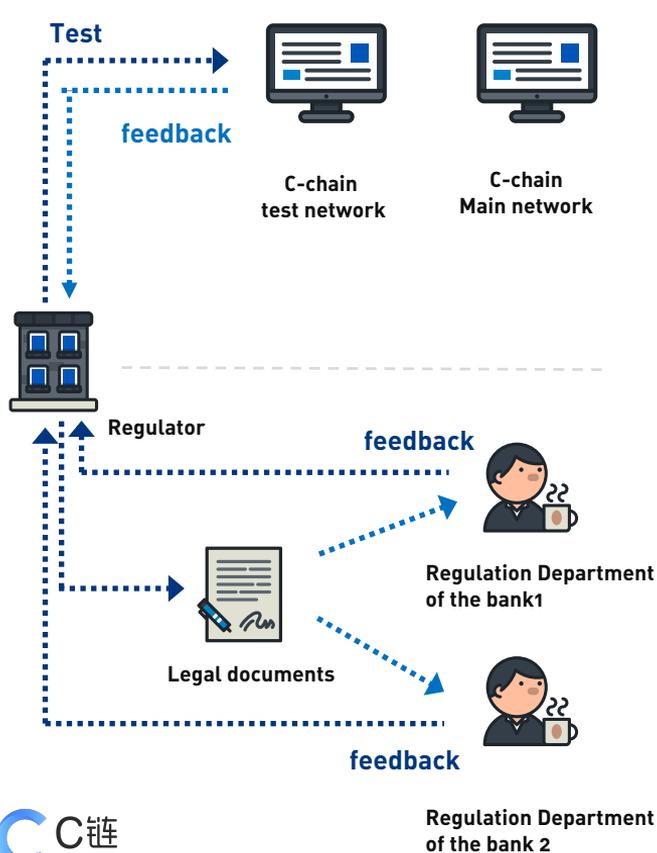
## Lending Policies pass through via C-chain :

- 1.Regulator release "guidelines", including the ratio of deposit to loan, interest rates range and applicability of rules.
2. The "guideline" is translated to smart contract standard code on C-chain, which defines loan ratio, interest rate and applicability of the rules.
3. Bank inherits the "guideline" smart contract code as well as all the definitions of the rules, then enrich details of the loan smart contract according to its own situation. Because banks' loan smart contract are inherited from regulators' contract, this allows all banks to use the same framework for loan smart contracts, different banks will not misjudge and take wrong action even has different understanding, thus the system effectively reduced legal compliance risks.

## Regulator convey bank lending guidelines through traditional ways

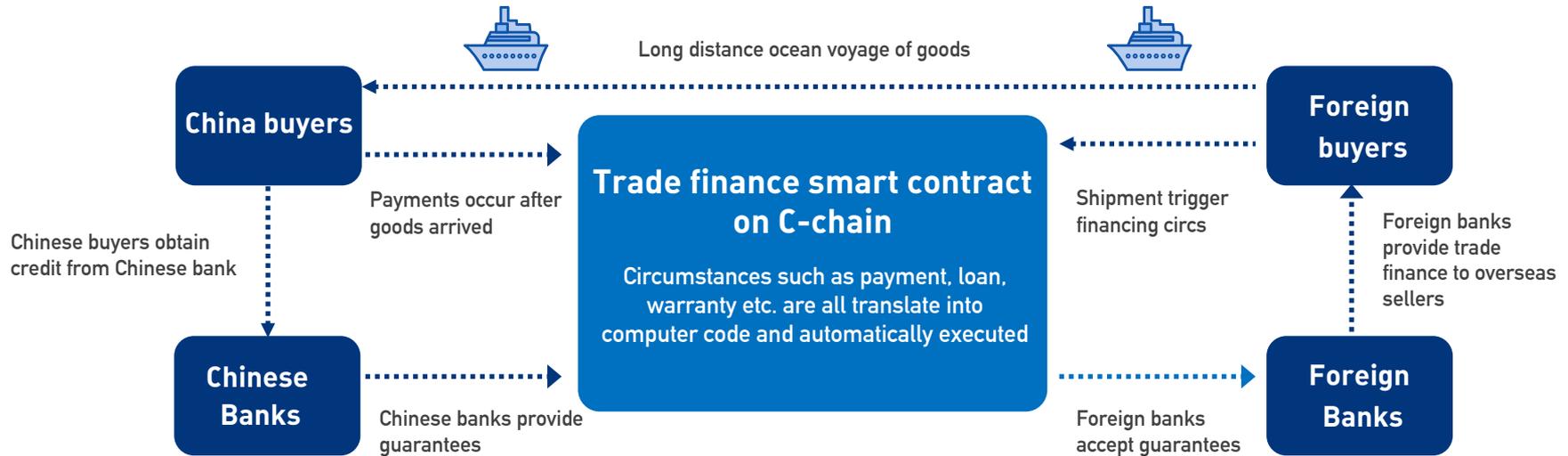
1. Regulator release "guidelines", including the ratio of deposit to loan, interest rates range and the applicability of rules etc.
2. The regulatory department of each bank tries to understand the guideline requirements. Banks need to communicate with regulators thus increased the cost of communication, while banks still have the risk of misunderstand the guidelines.
3. Banks may issue irregular applications based on misconception which may cause legal compliance risks.

## Case2: Regulator modify a bank lending guideline (C-chain vs. Traditional methodology)



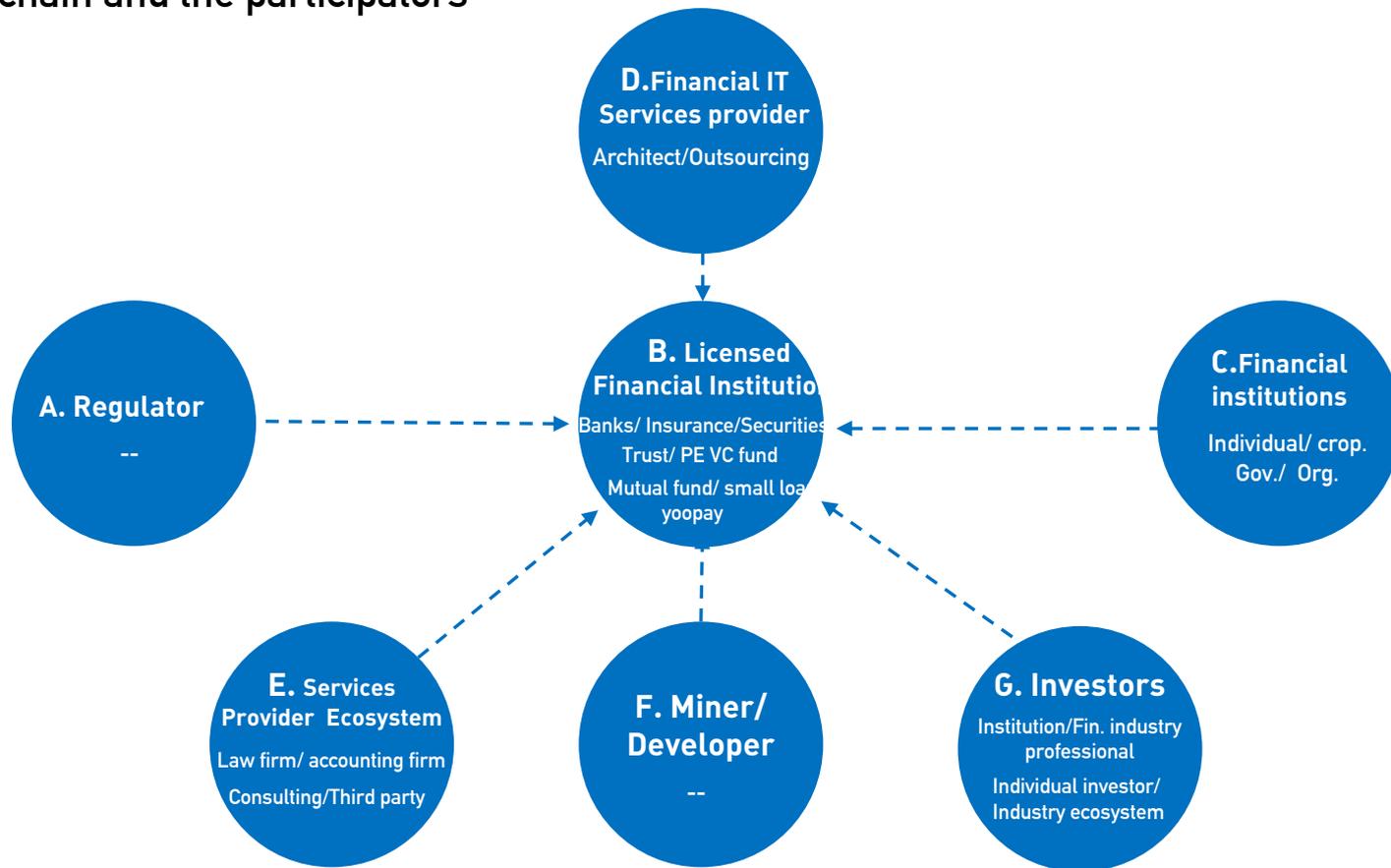
	Modify policy results test methodology and data source	Test the timeliness of revised guidelines	Revised guidelines test report results	Coincidence degree of the test report and actual operation	Actual execution mode
C chain	All data from C-chain test network are intraday data, with efficiency and timeliness. In the process of theoretical testing, regulator does not need to communicate with individual banks.	Very fast. Test results are available on the same day, as all applications and data are on C-chain	Informative and resourceful report, available for various types of stress testing, accurate affected users data, potential business impact on banks and financial structures etc.	Theoretically test report and the actual operation result should highly consistent.	Modify policy regulation smart contract code template will naturally impact banks with applications developed based on the template. Implementation costs is negligible and implement speed will be very fast.
Traditional Method	Bank conduct test on its own products and users, and provide regulators test reports. Regulator may need to communicate with individual bank with low efficiency and high cost	Test result respond/feedback time varies, the reason is because product distribution channel is different, this depends on the actual implementation capacity of the banks	Report content and accuracy are limited to banks' execution capability	Limited to banks' execution capacity, test results may not match with actual operation fact	Lengthy execution chain, longer execution process. limited by banks' execution capability, implementation cost is high

## Case 3: Use C-Chain smart contract to launch trade finance business



1. Use C-chain smart contract to carry out trade finance business, all circs events can be translated and code into smart contract. Once the order or trade events occurred, command will automatically executed with no trust issue
2. All warranty identification authenticity validate by digital signature, with lower cost and better efficiency compare to traditional trade finance guarantee verification method
3. All payments and liquidation can be executed on C-chain, as long as no command occurred, no transaction will happen and thus no misappropriation of funds and other operational risks

# Users of C-chain and the participators



# Future Global Regulation Organization Strategic Partners





**THANKS**